

Approved: October 15, 2007

Minutes – KHPA Board Meeting
September 25, 2007, Ramada, Madison Room, Topeka KS

Board Member Absent

- Secretary Kathy Greenlee

Board Members attending via teleconference:

- Ned Holland
- Rob Kaplan

All remaining Board Members were present.

Guests:

- Jane Chandler-Holt, Chair, Purchaser Advisory Council
- Peggy Johnson, Chair, Consumer Advisory Council
- Janet Williams, Chair, Provider Advisory Council

Call to Order – Welcome by Connie Hubbell, Board Chair

Chair Hubbell called the meeting to order and reviewed today's agenda.

Review and Approval of Minutes. The minutes from the August 20/21, 2007, KHPA Board meeting had been previously distributed and reviewed by the Board members.

- **ACTION:** A motion was made, seconded and passed to approve these minutes as printed.

Introductions/Legislative Updates/Announcements by Dr. Marcia J. Nielsen, Executive Director

Legislative Interim Committees. Testimony (copies of testimony are available at: www.khpa.ks.gov) had been recently provided to the Interim Committees as outlined below:

- Federal and State Affairs, August 31st – Written Testimony regarding Coverage of Late Term Abortion Procedure
- 2010 Commission, September 13th – Review of Early Childhood Programs - Health Services
- Joint Committee on Information Technology, September 21st – National Provider Identifier (NPI) and Data Analytic Interface (DAI)

Health Reform Listening Tour. Completion of the Listening Tour occurred the last week of August. A summary of participants' concerns and suggestions were distributed to the Board members and briefly reviewed. This summary is also available on the KHPA Board website: www.khpa.ks.gov.

At Large Council On-Line Interchange. An on-line listserv had been established during June 2007 to allow the members of the At Large Health Reform Council to participate in an electronic discussion related to health reform; a copy of the comments and discussions held on this listserv was distributed to the Board members and briefly reviewed.

Report by Dr. Andrew Allison, Deputy Executive Director and Director of Medicaid and HealthWave Programs

Update on Medicaid Managed Care Organizations (MCOs). Operational oversight meetings are now occurring quarterly due to the continued progress with the new managed care contractors. A quality oversight plan for the MCOs has been developed for FY 2008. Both contractors, UniCare Health Plan and Children's Mercy Family Health Partners, have completed provider workshops and routinely distribute a variety of updates and announcements within their networks. There have been few, if any, beneficiary grievances. KHPA continues to work with the MCOs to identify and resolve provider billing issues to allow for timely reimbursement.

Dr. Allison reported that KHPA staff are continually monitoring the status of the SCHIP reauthorization currently being debated by Congress and will keep the Board updated on this issue. He added that the transition to the new formula for reimbursement to Medicaid hospital providers has gone very well and that he will also report periodically to the Board on this issue.

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Report by Scott Brunner, Chief Financial Officer

Review of Budget Reports. The **KHPA FY 2007 Expenditure Report** which outlined expenditures through August 2007 was reviewed by the Board members. This report included expenditures in the areas of Assistance, Administration, Funding, and the State Employees Health Benefits program. The summary of FY 2007 Expenditures and FY 2008/2009 Revised and Proposed Budget was also briefly discussed. This summary identifies the actual FY 2007 expenditures for KHPA, the approved/revised FY 2008 budget, and the proposed FY 2009 budget. A number of Medicaid and State Employee Health Plan comparison charts by population groups were briefly reviewed.

Review of KHPA Budget Proposals/Enhancement Requests by Dr. Marci Nielsen, Dr. Andy Allison, and Scott Brunner

There were five agency 2009 budget enhancement requests proposed by KHPA staff, for the Board's initial review and discussion at the August 20/21, 2007 Board meeting. A number of requested revisions were subsequently made to these proposals, to be brought back for the Board's final approval/disapproval at today's meeting. The Final Board Action taken on each of these five requests are summarized below:

1. **Automating the Prescription Drug Prior Authorization System.** Final Board Action: A motion was made for the Board to support this proposal; motion seconded and carried. There were two dissenting votes.
2. **Expansion of the Enhanced Care Management Program (ECM).** There were two options presented for this request: A) Option A would be to request an enhancement to continue the Sedgwick County pilot project through FY 2009; B) Option B would be an enhancement requesting funds to expand the pilot project to a rural area of the state to test the reliability of the Enhanced Care Management model in a different service delivery environment and demographic profile. Final Board Action: Motion was made, seconded, and carried to support Option A. Motion was made to support Option B; motion was defeated.
3. **Community Health Record (CHR) Expansion to Rural Environment.** There were two options presented for this request: A) Option A would continue the Sedgwick County CHR pilot project through FY 2009 as well as expand CHR project to additional users (limit to no more than twenty additional sites). This option would require no additional funding. B) Option B would expand the use of the CHR in Sedgwick County (limit to no more than twenty additional sites) as well as in a designated rural community. Final Board Action: Motion was made to support Option A; motion carried. Motion was made to support Option B; motion carried.
4. **Premium Assistance Implementation.** Final Board Action: Motion was made to approve the proposed as presented; motion carried.
5. **Procurement of an Integrated Enrollment System.** Final Board Action: Motion was made to support the revised staff recommendation as presented in this proposal; motion carried.

Review of Proposed Regulation 129-5-1 re: Prior Authorization

Reid Stacey, KHPA Medicaid Senior Attorney, was introduced to the Board and he briefly explained the proposed regulation changes.

ACTION ITEM: A motion was made and seconded to approve this proposed regulation change. A roll call vote was taken by each Board member; motion carried.

Kansas Health Reform

Presentation of Policy Paper by Board Member Dr. Ray Davis

Dr. Davis presented on a policy paper related to cost efficiencies, investment of health care dollars, and management of resources to improve overall health status. He closed by recommending that the KHPA Board continue to work towards obtaining outcome data and cost-benefits evaluation. Because these recommendations are closely-related to the work of the KHPA Data Consortium and with the procurement of a Data Analytic Interface (DAI), a brief overview of the Consortium was provided along with an update on the procurement of the DAI. This information had been recently shared with the Joint Committee on Information Technology as well.

Presentation of Final Report from KHPA Advisory Councils, by Janis DeBoer, Manager

A summary of the Advisory Councils' final recommendations on health reform was reviewed and approved by the Board. This summary as well as all Advisory Councils' meeting materials and updates are available at: www.khpa.ks.gov. Board Chair Hubbell and Executive Director Dr. Nielsen thanked Janis DeBoer for her commitment as Advisory Council Manager, and they presented appreciation letters and certificates to the Council Chairs who are:

- Jane Chandler-Holt, Chair of the Purchaser Council
- Peggy Johnson, Chair of the Consumer Council
- Janet Williams, Chair of the Provider Council

Dr. Nielsen also announced that, with the completion and approval of the Advisory Councils' final recommendations, the role of the Advisory Councils with respect to meeting monthly and making recommendations to the KHPA Board is complete for Phase 1, which was the coordination of health reform recommendations. KHPA will provide regular updates to the Councils during the legislative session, and it is anticipated the Councils will reconvene after the legislative session begins in January 2008. Consequently, Janis DeBoer will begin a new role within the agency as Deputy Director to the Chief Financial Officer.

Review of Health Reform Policy Options prepared by KHPA and KDHE

There were six health reform policy options which had been included with today's meeting materials:

1. Promoting Personal Responsibility
2. Personal Responsibility: Healthy Behaviors in the Workplace
3. Personal Responsibility: Healthy Behaviors in the Schools
4. Personal Responsibility: Healthy Behaviors in Families/Communities
5. Paying for Prevention and Promotion a Medical: Promoting a Medical Home

6. Paying for Prevention and Promoting a Medical Home: Expansion of Cancer Screenings

Dr. Nielsen requested that, due to time constraints during today's meeting, the Board members review these policies in detail prior to the October meeting and suggested that a block of time during the October Board meeting be reserved for additional review and discussion of these policies.

Presentation on Health Insurance Benefits Models by Steve Schramm and Michelle Raleigh, SchrammRaleigh LLC Consultants

Steve Schramm and Michelle Raleigh reviewed the structure, policy decisions, and economic analysis related to these five scenarios:

1. Reference Model (voluntary participation; waiver/public program expansion)
2. Affordable Model (voluntary participation; merge individual and small group markets; develop market clearinghouse)
3. Sequential Model (mandatory health insurance for children 19 years and younger; expand SB 11 to 150% FPL; develop market clearinghouse – Business Health Partnership for Small Group Market)
4. Universal Model (mandatory participation for individuals and employers; require Section 125 by employers; subsidized reinsurance)
5. Mountain Model (mandatory participation; single combined health care market for all Kansans)

A copy of this presentation is available at: www.khpa.ks.gov.

After review and discussion of the information presented, the Board requested that additional modeling be done on the Sequential scenario. The Board agreed that the no additional information is needed by the consultants on the Universal or the Mountain models. SchrammRaleigh Consultants will return to the October Board meeting to provide additional modeling information.

Public Comment Period

- Dr. Ira Stamm made brief remarks relating to the need for health reform in Kansas.

Adjournment

- Meeting was adjourned.
- Next Meeting: Monday/Tuesday, October 15/16, 2007, specific times and location to be determined.
- Agenda items for the October Board Meeting:
 - Presentation on Long Term Care Reforms, by KDOA Secretary Greenlee and SRS Secretary Don Jordan
 - Final Review and Approval of Health Reform Options
 - Review and Approval of 2008 KHPA Board meeting schedule

10-10-07